ECN CAPITAL

Management Discussion & Analysis

SEPTEMBER 30, 2022

The following management discussion and analysis (“MD&A”) provides information management believes is relevant to an assessment and understanding of the financial condition and results of operations of ECN Capital Corp. (the "Company" or "ECN Capital") as at and for the three and nine-month periods ended September 30, 2022 in comparison to the corresponding prior year periods. This MD&A, which has been prepared as of November 9, 2022, is intended to supplement and complement the condensed unaudited interim consolidated financial statements and notes thereto, prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"), as at and for the three and nine-month periods ended September 30, 2022 (the "interim consolidated financial statements"), which readers are encouraged to read in conjunction with their review of this MD&A. This MD&A should be read in conjunction with the Company's annual audited consolidated financial statements for the years ended December 31, 2021 and December 31, 2020. Additional information relating to the Company, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com and on the Company’s website at www.ecncapitalcorp.com.

Certain comparative figures have been reclassified to conform to the current period’s presentation. All amounts set forth in this MD&A are in U.S. dollars unless otherwise noted.

Cautionary Statement

This analysis has been prepared taking into consideration information available to November 9, 2022. Certain statements contained in this report constitute “forward looking statements”. When used in this report, the words “may”, “would”, “could,” ”will,” ”intend,” ”plan,” ”anticipate,” “believe,” ”estimate,” ”expect,” and similar expressions, as they relate to the company, or its management, are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to inherent risks, uncertainties and numerous assumptions, including, without limitation, general economic and industry conditions, reliance on debt financing, dependence on borrowers, dependence on financing its business through funding commitments and the sale of loan portfolios to banks and other financial institutions, inability to recover receivables, competition, interest rates, regulation, demand for financing in the specialty finance sector, insurance, failure of key systems, debt service, future capital needs and such other risks or factors described from time to time in reports of ECN Capital.

By their nature, forward looking statements involve numerous assumptions, known and unknown, risks and uncertainties, both general and specific, which contribute to the possibility that predictions, forecasts, projections and other forms of forward looking information may not be achieved. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward looking statements and readers are cautioned that the list of factors in the foregoing paragraph is not exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Accordingly, readers are cautioned not to place undue reliance on forward looking statements or interpret or regard forward-looking statements as guarantees of future outcomes. Except as may be required by applicable Canadian securities laws, we do not intend, and disclaim any obligation to update or rewrite any forward-looking statements whether oral or written as a result of new information, future events or otherwise.

ECN CAPITAL

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Overview

ABOUT ECN

ECN Capital Corp. ("ECN Capital" or the "Company") is a leading provider of business services to North American based banks, credit unions, life insurance companies, pension funds and institutional investors (collectively our "Partners"). ECN Capital originates, manages and advises on credit assets on behalf of its Partners, specifically consumer (manufactured housing and marine and recreational vehicle) loans. Our Partners are seeking high quality assets to match with their deposits or other liabilities. These services are offered through two operating segments: (i) Manufactured Housing Finance, and (ii) Marine and Recreational Vehicles Finance. Headquartered in South Florida and Toronto, the registered office is located at 161 Bay Street, Suite 2800, Toronto, Ontario, Canada. ECN Capital has approximately 580 employees and operates principally in the United States. The Company is a public corporation and trades on the Toronto Stock Exchange under the symbol "ECN".

BUSINESS STRATEGY

ECN Business Model

The Company owns a portfolio of operating businesses that operate under a fee-based, asset-light model through which it leverages highly specialized expertise, industry knowledge, regulatory compliance and strategic relationships. This specialized business model provides significant barriers to entry. Our core investor companies are: Triad Financial Services, Inc. ("Triad Financial Services"), Source One Financial Services, LLC ("Source One") and Intercoastal Financial Group, LLC ("IFG"). ECN Capital has managed assets[1] of continuing operations of approximately $4.1 billion and our customers include more than 100 bank, credit union, insurance company, pension plan and institutional investor partners. ECN Capital partners with these financial institutions rather than competing with them. Specifically, our Partners are the decision makers inside each institution who are looking for appropriate portfolio solutions to match customer deposits and other liabilities. We meet our customer needs by offering the following consumer portfolio solutions:

- Manufactured Housing Finance
- Marine and Recreational Vehicles Finance

The Company's focus is to drive origination and asset management growth as well as broadening our Partner relationships through the marketing of our solutions across our network of 100+ Partners. In pursuit of these objectives: (i) The Company provides its portfolio companies with capital, extensive knowledge and scale to help grow their businesses within their large addressable markets; and (ii) The Company continuously brings new funding relationships and structures to our investor companies.

(1) This is a non-IFRS measure. Please refer to the "Non-IFRS and Other Performance Measures" section of this MD&A for a definition and reconciliation of this measure.

The Company's operating businesses have demonstrated each of the following value propositions:

- Significant barriers to entry including long-term relationships with banks, credit unions, insurance companies and institutional investors that are its customers
- Business longevity resulting in favorable regulatory outcomes; No objection or negative comments from financial services regulators
- Exclusive/preferred manufacturer and dealer arrangements that drive origination services
- Established originator/manager/adviser of consumer credit assets with a history of strong performance across business cycles
- Superior credit quality across portfolios with a long-term track record of servicing/ management excellence
- Capital-light businesses with solid growth profiles
- Scalable platforms with established operations and proprietary intellectual capital

Our intention is to partner with banks, credit unions, insurance companies and other institutional investors, and not to compete with them. If and when our Partners or their competitors look to directly compete with ECN's investor companies, ECN will consider exiting the business on terms acceptable to shareholders.

A description of each of our core business segments is provided below.

Core Business Segments:

Manufactured Housing Finance

Triad Financial Services

Founded in 1959, Triad Financial Services is the oldest manufactured housing finance company in the U.S. Triad Financial Services is a premier portfolio solutions platform focused on originating and managing longer duration secured consumer loan portfolios for 50+ active Partners. These assets are primarily prime and super-prime loans to consumers for the purchase of manufactured homes throughout the U.S. Originations are sourced through a long-established national network of dealers and manufacturers. Triad's Fitch-rated servicing department manages the growing portfolio of manufactured housing loans on behalf of their third party owners. In addition, Triad Financial Services provides floorplan financing for dealers and manufacturers in the industry. Triad Financial Services is headquartered in Jacksonville, Florida and is licensed in 47 States.

Marine and Recreational Vehicles Finance

Source One

Founded in 1999, Source One is a premier provider of consumer lending programs and outsourced finance and insurance solutions to the marine and recreational vehicle industries. Through an established network of dealers covering 38 states, Source One originates prime and super-prime loans to consumers to facilitate the purchase of marine and recreational vehicles. Source One is headquartered in Lakeville, Minnesota.

Intercoastal Financial Group

Founded in 1987, Intercoastal Financial Group is a premier provider of consumer lending programs to the marine and recreational vehicle industries. Through an established network of sales representatives nationwide, Intercoastal Financial Group originates prime and super-prime loans to consumers to facilitate the purchase of marine and recreational vehicles. Intercoastal Financial Group is headquartered in Fort Pierce, FL.

Key Business Developments

Information related to the developments in support of the Company's business strategy for the three and nine-month periods ended September 30, 2022 are outlined below.

ACQUISITION OF INTERCOASTAL FINANCIAL GROUP, LLC

On July 1, 2022, the Company completed the acquisition of Intercoastal Financial Group, LLC ("IFG"), a marine and recreational vehicle finance company, for total consideration of $73.9 million, including $55.6 million in cash and deferred consideration of $18.3 million to be paid over the next two years. Founded in 1987, IFG originates prime and super-prime loans on behalf of 18+ bank Partners through a network of premier sales representatives nationwide. IFG, together with Source One, will form a new operating segment, *Marine and Recreational Vehicles Finance*.

SALE OF KG BUSINESS

On October 4, 2022, the Company completed the sale of all of the issued and outstanding equity interests in ECN Kessler Holdco LLC, a wholly-owned, indirect subsidiary of the Company through which ECN operates the KG business, to funds managed by Stone Point Capital LLC for cash proceeds of approximately $210 million, subject to final working capital adjustments.

Operating results attributable to KG are presented as discontinued operations in the Company's interim condensed consolidated statements of operations for all periods presented and the assets and liabilities of KG have been reclassified to assets held-for-sale and liabilities held-for-sale in the Company's interim condensed consolidated statement of financial position as at September 30, 2022.

CORPORATE FINANCE DEVELOPMENTS

Senior Credit Facility Update

On July 11, 2022, the Company successfully executed an amendment to its senior credit facility, increasing its revolving funding capacity from US$700 million to US$900 million through December 6, 2025.

Normal Course Issuer Bids

On September 14, 2022, the TSX approved the renewal of the Company's Normal Course Issuer Bid (the "Common Share Bid") for common shares of the Company and the Company's notice of intention to commence a Normal Course Issuer Bid (the "Preferred Share Bid" and, together with the Common Share Bid, the "NCIBs") for the Company's Series C Rate Reset Preferred Shares (the "Series C Preferred Shares") for commencement on September 18, 2022. Pursuant to the NCIBs, the Company may repurchase up to an additional 22,170,050 common shares and 371,040 Series C Preferred Shares, representing approximately 10% of the public float of each of the common shares and Series C Preferred Shares. The NCIBs will end on the earlier of September 18, 2023 or the completion of purchases under the applicable NCIB.

During the three-month period ended September 30, 2022, the Company did not purchase any of its common shares pursuant to the Common Share Bid. During the nine-month period ended September 30, 2022, the Company purchased 550,200 common shares for a total of $2.5 million (C$3.2 million) or C$5.04 per common share pursuant to the Common Share Bid. During the three and nine-month periods ended September 30, 2022, the Company did not purchase any of its Series C Preferred Shares pursuant to the Preferred Share Bid.

During the three-month period ended September 30, 2022, the Company purchased for cancellation 2,000,000 common shares for a total of $7.4 million (C$10.1 million) in a private transaction from a member of KG senior management in connection with the sale of KG. These shares reduce the number of shares available for repurchase under the Common Share Bid.

Capital Reinvestment

Under its NCIBs and substantial issuer bids ("SIBs"), ECN has repurchased for cancellation approximately 37% of the total common shares outstanding through November 9, 2022.

The following table sets forth a summary of the Company's capital reinvestment under its common share transactions.

Capital Reinvestment - Common Shares	Shares Retired (millions)	Average Price (C$)	Total Consideration (C$ millions)
NCIB since inception 2017	58.7	$4.13	$242
SIB April 2018	31.9	$3.60	$115
SIB January 2019	70.7	$3.75	$265
Total common shares repurchased for cancellation	**161.3**	**$3.86**	**622.0**

Common shares outstanding pre-buyback	390
Common shares outstanding as at November 9, 2022	245
% common shares repurchased to date	**~37%**

Results of Operations

The following table sets forth a summary of the Company's consolidated results from continuing operations and is to be read in conjunction with the Company's consolidated financial statements for the same periods.

	For the three-month period ended			For the nine-month period ended	
	September 30, 2022	June 30, 2022	September 30, 2021	**September 30, 2022**	September 30, 2021
(in 000's for stated values, except per share amounts)	$	$	$	$	$
Select metrics:					
Originations	**679,492**	613,020	298,992	**1,690,481**	743,267
Average earning assets - Owned[1]	**447,640**	331,673	200,922	**351,206**	188,635
Average earning assets - Managed[1]	**3,920,153**	3,503,486	2,897,324	**3,551,466**	2,791,227
Period end earning assets - Owned[1]	**514,763**	380,516	214,320	**514,763**	214,320
Period end earning assets - Managed[1]	**4,081,188**	3,759,117	2,958,485	**4,081,188**	2,958,485
Operating highlights:					
Loan origination revenues	**37,695**	38,362	22,097	**99,653**	54,796
Asset management and servicing revenues	**5,743**	5,207	4,102	**15,632**	10,268
Interest income	**11,284**	7,864	5,117	**25,260**	14,569
Other revenue	**3,288**	2,576	2,144	**6,006**	8,868
Total revenue	**58,010**	54,009	33,460	**146,551**	88,501
Operating expenses	**26,584**	28,344	19,490	**75,821**	61,096
Adjusted EBITDA[1]	**31,426**	25,665	13,970	**70,730**	27,405
Interest expense	**13,129**	8,463	4,758	**27,818**	14,609
Depreciation & amortization	**1,770**	1,646	2,072	**5,103**	5,295
Adjusted operating income before tax[1]	**16,527**	15,556	7,140	**37,809**	7,501
Adjustments:					
Share-based compensation	**2,392**	1,592	3,933	**8,700**	10,895
Amortization of intangible assets	**1,880**	1,100	310	**4,043**	930
Accretion of deferred purchase consideration	**128**	—	462	**128**	1,444
Unrealized gain on foreign currency hedge	**—**	—	(2,856)	**—**	(2,856)
Transaction costs	**—**	5,632	—	**5,632**	—
Total adjustments	**4,400**	8,324	1,849	**18,503**	10,413
Net income before income taxes from continuing operations	**12,127**	7,232	5,291	**19,306**	(2,912)
Income tax expense	**4,406**	2,601	686	**6,990**	(990)
Net income from continuing operations	**7,721**	4,631	4,605	**12,316**	(1,922)
Cumulative dividends on preferred shares	**1,409**	1,124	2,380	**3,679**	7,234
Net income (loss) from continuing operations attributable to common shareholders	**6,312**	3,507	2,225	**8,637**	(9,156)
Net income from discontinued operations	**(1)**	4,610	18,565	**10,115**	50,794
Net income for the period attributable to common shareholders	**6,311**	8,117	20,790	**18,752**	41,638
Weighted Average number of shares outstanding (basic)	**246,766**	247,224	243,334	**246,872**	243,769
Earnings (loss) per share (basic) - continuing operations attributable to common shareholders	**$0.03**	$0.01	0.01	**$0.03**	$(0.04)
Earnings per share (basic) - discontinued operations attributable to common shareholders	**$—**	0.02	0.08	**$0.04**	$0.21
Non-IFRS Measures					
Adjusted operating results:					
Adjusted EBITDA[1]	**31,426**	25,665	13,970	**70,730**	27,405
Adjusted operating income before tax[1]	**16,527**	15,556	7,140	**37,809**	7,501
Adjusted net income[1]	**13,222**	12,445	5,926	**30,247**	6,226
Adjusted net income applicable to common shareholders[1]	**11,813**	11,321	3,546	**26,568**	(1,008)
Adjusted net income per share (basic) [1]	**$0.05**	$0.05	$0.02	**$0.12**	$0.03
Adjusted net income applicable to common shareholders per share (basic)[1]	**$0.05**	$0.05	$0.01	**$0.11**	$—

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

The following discussion relates to the results of operations for the three and nine-month periods ended September 30, 2022 presented on a continuing operations basis.

During the three-month period ended September 30, 2022, the Company changed the organization of its operating segments as a result of its expansion in marine and recreational vehicle secured consumer loan originations and the sale of its unsecured consumer loans business segment. Under the revised structure, the Company's operating segments include Manufactured Housing Finance, which includes Triad Financial Services, and Marine and Recreational Vehicles Finance, which includes Source One and IFG. As a result, the prior period presentation of its operating segments has been restated to conform to the current period's presentation.

Q3 AND Q3 YTD 2022 vs Q3 AND Q3 YTD 2021

The Company reported total revenue of $58.0 million and $146.6 million for the three and nine-month periods ended September 30, 2022, up from $33.5 million and $88.5 million, respectively, for the prior year periods. The quarter-to-date and year-to-date increases in revenue reflect the growth in loan originations revenues, servicing revenues, and interest income at our Manufactured Housing Finance segment and the acquisition of Source One and IFG, which together comprise our Marine and Recreational Vehicles Finance segment. Total originations for the third quarter and nine-month period ended September 30, 2022 were $679.5 million and $1.7 billion, respectively, compared to $299.0 million and $743.3 million, respectively, for the prior year periods, which drove the increase in originations revenues. Manufactured Housing managed assets increased to $4.1 billion compared to $3.0 billion in the prior year quarter, which drove the quarter and year-to-date increases in servicing revenues. Higher interest income in the current year periods was primarily driven by higher average floorplan loan balances in 2022.

The table below illustrates the Company's operating expenses for the three and nine-month periods ended September 30, 2022 and September 30, 2021:

	For the three-month period ended		**For the nine-month period ended**	
	September 30, 2022	September 30, 2021	**September 30, 2022**	September 30, 2021
(in 000's for stated values)	**$**	$	**$**	$
Manufactured Housing Finance	**19,446**	13,537	**55,942**	38,338
Marine and Recreational Vehicle Finance	**2,796**	—	**6,404**	—
Business segment operating expenses	**22,242**	13,537	**62,346**	38,338
Corporate operating expenses	**4,235**	4,604	**12,770**	17,376
Legacy Businesses operating expenses	**107**	1,349	**705**	5,382
Total operating expenses	**26,584**	19,490	**75,821**	61,096

Operating expenses were $26.6 million and $75.8 million for the third quarter and nine-month period ended September 30, 2022, compared to $19.5 million and $61.1 million in the prior year periods. The increase in operating expenses compared to the prior year periods is primarily attributable to growth in originations and managed assets at our Manufactured Housing Finance segment and the acquisitions within our Marine and Recreational Vehicles Finance segment. Corporate operating expenses were $4.2 million in the current quarter compared to $4.6 million in the prior year quarter.

Interest expense was $13.1 million and $27.8 million for the third quarter and nine-month period ended September 30, 2022, compared to $4.8 million and $14.6 million in the prior year periods. The quarter-to-date and year-to-date increases in interest expense reflect higher average borrowings, primarily due to higher average floorplan balances in 2022, and a higher average borrowing rate.

Depreciation and amortization expense was $1.8 million and $5.1 million for the third quarter and nine-month period ended September 30, 2022, respectively, compared to $2.1 million and $5.3 million in the prior year periods.

Other expenses, which include share-based compensation, amortization of intangible assets and other items, were $4.4 million and $18.5 million for the third quarter and nine-month period ended September 30, 2022 compared to $1.8 million and $10.4 million in the prior year periods. Share-based compensation expense was $2.4 million and $8.7 million, respectively, for the third quarter and nine-month period ended September 30, 2022, respectively, compared to $3.9 million and $10.9 million in the prior year periods. Other expenses in the current year-to-date period include $5.6 million of transaction costs related to the acquisition of IFG and the pursuit of other M&A opportunities.

Adjusted EBITDA[1] increased to $31.4 million and $70.7 million for the third quarter and nine-month period ended September 30, 2022, respectively, compared to $14.0 million and $27.4 million for the prior year periods. The increase in adjusted EBITDA[1] in the current quarter reflects the growth at our Manufactured Housing Finance business segment and the acquisitions within our Marine and Recreational Vehicles business segment. Adjusted net income (loss) applicable to common shareholders[1] was $11.8 million or $0.05 per share and $26.6 million or $0.11 per share for the third quarter and nine-month period ended September 30, 2022, respectively, compared to $3.5 million or $0.01 per share and $(1.0) million or nil per share for the prior year periods. The increase in adjusted net income applicable to common shareholders[1] in the current quarter reflects higher operating income from our business segments, partially offset by higher interest expense.

The Company reported net income from continuing operations of $7.7 million and $12.3 million for the third quarter and nine-month period ended September 30, 2022, respectively, compared to net income of $4.6 million and a net loss of $1.9 million, respectively, for the prior year periods.

1. This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

Business Segment Results

RESULTS OF MANUFACTURED HOUSING FINANCE SEGMENT

The following table sets forth a summary of the Company's select metrics and results from the Manufactured Housing Finance segment for the three-month periods ended September 30, 2022, June 30, 2022, and September 30, 2021 and the nine-month periods ended September 30, 2022 and September 30, 2021.

	For the three-month period ended			For the nine-month period ended	
	September 30, 2022	June 30, 2022	September 30, 2021	**September 30, 2022**	September 30, 2021
(in 000's for stated values)	**$**	$	$	**$**	$
Select metrics					
Originations	**381,049**	380,677	298,992	**1,048,373**	743,267
Managed assets, period end (1)	**4,081,188**	3,759,117	2,958,485	**4,081,188**	2,958,485
Managed assets, period average (1)	**3,920,153**	3,374,892	2,897,324	**3,551,466**	2,791,227
Manufactured housing loans	**355,133**	280,266	159,199	**355,133**	159,199
Held-for-trading financial assets	**157,760**	100,250	55,121	**157,760**	55,121
Operating results					
Loan originations revenue	**29,883**	31,082	22,097	**80,739**	54,796
Servicing revenue	**5,743**	5,207	4,102	**15,632**	10,268
Interest income & other revenue	**11,317**	7,785	4,824	**24,804**	13,445
Total revenue	**46,943**	44,074	31,023	**121,175**	78,509
Operating expenses	**19,446**	21,665	13,537	**55,942**	38,338
Adjusted EBITDA (1)	**27,497**	22,409	17,486	**65,233**	40,171
Interest and depreciation expense	**6,472**	3,448	1,317	**12,610**	3,778
Adjusted operating income before tax (1)	**21,025**	18,961	16,169	**52,623**	36,393

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

Manufactured Housing Finance Segment

Manufactured Housing Finance originations for the third quarter and nine-month period ended September 30, 2022 were $381.0 million and $1.0 billion, respectively, up 27.4% and 41.0% from the comparable prior year periods. Managed assets[1] were $4.1 billion as at September 30, 2022, an increase of 37.9% compared to managed assets[1] of $3.0 billion as at September 30, 2021.

Traditionally, this segment is impacted by seasonality, with the second and third quarters of the year being the strongest performing quarters which is illustrated in the table below. Current quarter originations were impacted by flooding as well as Hurricane Ian, which temporarily delayed home completions.

Originations (US$ millions)								
Q3, 2020	Q4, 2020	Q1, 2021	Q2, 2021	Q3, 2021	Q4,2021	Q1, 2022	Q2, 2022	Q3, 2022
202	197	182	262	299	300	287	381	381

Loan originations revenue for the third quarter and nine-month period ended September 30, 2022 was $29.9 million and $80.7 million, respectively, up 35.2% and 47.3% from the prior year periods, which reflects the year-over-year increase in total originations and the impact of bulk loan portfolio sales.

Servicing revenues of $5.7 million and $15.6 million for the third quarter and nine-month period ended September 30, 2022 were up 40.0% and 52.2% from the prior year periods, reflecting growth in managed assets and an increase in full serviced accounts.

Interest income and other revenue for the third quarter and nine-month period ended September 30, 2022 was $11.3 million and $24.8 million, respectively, up 134.6% and 84.5% from the prior year periods, primarily driven by higher average floorplan loan balances in 2022.

Adjusted EBITDA[1] and adjusted operating income before tax[1] were $27.5 million and $21.0 million, respectively, for the current quarter compared to $17.5 million and $16.2 million, respectively, for the prior year quarter. For the nine-month period ended September 30, 2022, adjusted EBITDA[1] and adjusted operating income before tax[1] of $65.2 million and $52.6 million represent increases of 62.4% and 44.6% from the prior year periods.

Manufactured housing loans were $355.1 million as at September 30, 2022, compared to $280.3 million as at June 30, 2022 and $159.2 million as at September 30, 2021. Manufactured housing loans consist primarily of floorplan loans, which enable dealers to finance their inventory and support the growth of their businesses. These loans strengthen the relationship with our dealers and manufacturers.

Held-for-trading financial assets were $157.8 million as at September 30, 2022, compared to $100.3 million as at June 30, 2022 and $55.1 million as at September 30, 2021. Held-for-trading financial assets consist of loans that are originated on behalf of our Partners with the intention of selling through under bulk loan portfolio sales agreements. We entered into agreements with certain of our Partners for regular monthly portfolio sales going forward and, as a result, expect the held-for-trading balance to be approximately $90 million to $100 million by the end of the year.

1. This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

Manufactured Housing Finance Segment 2022 Outlook

The Company maintains its previously updated 2022 outlook for Triad Financial Services, except for the range provided for floorplan line utilized, and expects adjusted operating income before tax to be in the range of $70 million to $75 million for 2022. The Company now expects the utilized floorplan balance to be in the range of $300 million to $400 million. Please see the table below for the Company's updated 2022 outlook for the Manufactured Housing Finance segment, as compared to its original 2022 forecast range.

	Updated 2022 Forecast Range		Original 2022 Forecast Range	
Select Metrics (US$ millions)				
Total Originations	1,400	1,600	1,400	1,600
Floorplan line utilized	300	400	200	300
Managed & advised portfolio (period end)	3,900	4,300	3,900	4,300
Income Statement (US$ millions)				
Loan Origination Revenues	108	114	100	112
Servicing Revenues	20	22	19	22
Interest & Other	32	34	23	26
Total Revenues	160	170	142	160
Adjusted EBITDA (1)	86	91	71	80
Adjusted Operating Income Before Tax (1)	70	75	62	70

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

The material factors and assumptions used to develop the forward-looking information related to the 2022 outlook for Triad Financial Services include current and anticipated demand, as well as the availability of inventory in the manufactured housing industry. Trends relating to demand include volume of loan applications and approvals, available commitments from funding partners, the growth in dealer networks and the impact of new product offerings and market penetration. Management believes the information is reasonable based on historical growth and positive trends in loan application and approval volumes experienced by Triad and the manufactured housing industry generally, which indicate demand and future originations. Additionally, growth in originations is one of the primary drivers of managed and advised assets growth and future servicing revenues for Triad Financial Services.

RESULTS OF MARINE AND RECREATIONAL VEHICLES FINANCE SEGMENT

The following table sets forth a summary of the Company's select metrics and results from the Marine and Recreational Vehicles Finance segment, which includes Source One and IFG, for the three-month periods ended September 30, 2022 and June 30, 2022 and the nine-month period ended September 30, 2022. Operating results from IFG are included from July 1, 2022, the date of acquisition.

	For the three-month period ended		For the nine-month period ended
	September 30, 2022	June 30, 2022	September 30, 2022
(in 000's for stated values)	$	$	$
Select Metrics			
Originations	**298,443**	232,343	**642,108**
Operating results			
Originations revenue	**7,812**	7,280	**18,914**
Interest income & other revenue	**86**	3	**90**
Total revenue	**7,898**	7,283	**19,004**
Operating expenses	**2,796**	1,955	**6,404**
Adjusted EBITDA (1)	**5,102**	5,328	**12,600**
Interest and depreciation expense	**139**	49	**239**
Adjusted operating income before tax (1)	**4,963**	5,279	**12,361**

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

Marine and Recreational Vehicles Finance Segment

Marine and Recreational Vehicles originations for the third quarter and nine-month period ended September 30, 2022 were $298.4 million and $642.1 million, respectively.

Traditionally, this segment is impacted by seasonality, with the second and third quarters of the year being the strongest performing quarters, which is illustrated in the table below:

Originations (US$ millions) (1)								
Q3, 2020	Q4, 2020	Q1, 2021	Q2, 2021	Q3, 2021	Q4,2021	Q1, 2022	Q2, 2022	Q3, 2022
311	169	199	352	246	206	241	406	298

(1) Includes results from periods prior to the Company's acquisition of Source One on December 21, 2021 and IFG on July 1, 2022.

Loan originations revenue for the third quarter and nine-month period ended September 30, 2022 was $7.8 million and $18.9 million, respectively.

Operating expenses were $2.8 million for the third quarter ended September 30, 2022. The quarter-over-quarter increase in operating expenses was driven by growth initiatives at both Source One and IFG, as well as the inclusion of IFG results.

Adjusted EBITDA[1] and adjusted operating income before tax[1] were $5.1 million and $5.0 million, respectively, for the current quarter and $12.6 million and $12.4 million, respectively, for the year-to-date period.

1. This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

Marine and Recreational Vehicles Finance Segment 2022 Outlook

The Company maintains its previously updated 2022 outlook for Source One and IFG and expects adjusted operating income before tax to be in the range of $17 million to $19 million for 2022. Please see the table below for the Company's updated 2022 outlook for the Marine and Recreational Vehicles Finance segment, as compared to its original 2022 forecast range.

	Updated 2022 Forecast Range (2)		Original 2022 Forecast Range	
Select Metrics (US$ millions)				
Total Originations	**800**	**900**	**525**	**595**
Income Statement (US$ millions)				
Loan Origination Revenues	**24**	**28**	**19**	**22**
Adjusted EBITDA (1)	**17**	**19**	**12**	**14**
Adjusted Operating Income Before Tax (1)	**17**	**19**	**12**	**14**

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.
(2) Includes results from IFG from July 1, 2022.

The material factors and assumptions used to develop the forward-looking information related to the 2022 outlook for the Marine and Recreational Vehicles Finance segment include current and anticipated demand, as well as the availability of inventory in the marine and recreational vehicle industries. Trends relating to demand include volume of loan applications and approvals, available commitments from funding partners, the growth in dealer networks and the impact of new product offerings and market penetration. Management believes the information is reasonable based on historical growth and positive trends in loan application and approval volumes experienced by Source One and IFG and the manufactured housing industry generally, which indicate demand and future originations.

RESULTS OF CORPORATE SEGMENT

The following table sets forth a summary of the Company's select metrics and results from the Corporate segment for the three-month periods ended September 30, 2022, June 30, 2022, and September 30, 2021 and the nine-month periods ended September 30, 2022 and September 30, 2021.

	For the three-month period ended			For the nine-month period ended	
(in 000's for stated values)	**September 30, 2022 $**	June 30, 2022 $	September 30, 2021 $	**September 30, 2022 $**	September 30, 2021 $
Operating results					
Corporate					
Revenues	**3,117**	2,607	1,149	**6,230**	5,332
Operating expenses	**4,235**	4,440	4,604	**12,770**	17,376
Adjusted EBITDA - Corporate (1)	**(1,118)**	(1,833)	(3,455)	**(6,540)**	(12,044)
Legacy Businesses					
Revenues	**52**	45	1,288	**142**	4,660
Operating expense	**107**	284	1,349	**705**	5,382
Adjusted EBITDA - Legacy Businesses (1)	**(55)**	(239)	(61)	**(563)**	(722)
Adjusted EBITDA - Corporate and Other (1)	**(1,173)**	(2,072)	(3,516)	**(7,103)**	(12,766)
Interest expense	**7,312**	5,639	3,807	**17,115**	11,830
Depreciation & amortization	**976**	973	1,706	**2,957**	4,296
Adjusted operating income before tax (1)	**(9,461)**	(8,684)	(9,029)	**(27,175)**	(28,892)

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

Corporate and Other

Corporate revenue was $3.1 million and $6.2 million for the third quarter and nine-month period ended September 30, 2022, respectively, compared to $1.1 million and $5.3 million for the comparable prior year periods. Revenue primarily consists of gains/losses from legacy corporate investments and gains/losses from foreign currency transactions and related hedge contracts.

Corporate operating expenses were $4.2 million and $12.8 million for the third quarter and nine-month period ended September 30, 2022 compared to $4.6 million and $17.4 million in the prior year periods, respectively.

Legacy businesses revenue and operating expenses for the current quarter were $0.05 million and $0.1 million, respectively, reflecting the impact of the continuing reduction of the legacy asset portfolio. For the year-to-date period, legacy business revenue and operating expenses were $0.1 million and $0.7 million, respectively.

Corporate interest expense was $7.3 million for the current quarter, compared to $5.6 million for the second quarter of 2022 and $3.8 million for the prior year quarter. Average borrowings on the term senior facility credit during the third quarter of 2022 were $715.9 million compared to $465.4 million in the preceding quarter.

RESULTS OF DISCONTINUED OPERATIONS

The following table sets forth a summary of the Company's results from discontinued operations for the three-month periods ended September 30, 2022, June 30, 2022, and September 30, 2021 and the nine-month periods ended September 30, 2022 and September 30, 2021. Discontinued operations for the three and nine-month periods ended September 30, 2022 and the three month-period ended June 30, 2022 include the results of KG. Discontinued operations for the three and nine-month periods ended September 30, 2021 include the results of KG and Service Finance.

	For the three-month period ended			For the nine-month period ended	
(in 000's for stated values)	**September 30, 2022** **$**	June 30, 2022 $	September 30, 2021 $	**September 30, 2022** **$**	September 30, 2021 $
Operating results					
KG					
Revenues	**23,963**	27,554	19,258	**76,840**	60,547
Operating expenses	**17,839**	14,364	6,458	**43,693**	21,823
Adjusted EBITDA (1)	**6,124**	13,190	12,800	**33,147**	38,724
Service Finance					
Revenues	**—**	—	43,247	**—**	113,076
Operating expenses	**—**	—	18,105	**—**	43,600
Adjusted EBITDA (1)	**—**	—	25,142	**—**	69,476
Adjusted EBITDA - KG and Service Finance (1)	**6,124**	13,190	37,942	**33,147**	108,200
Depreciation & amortization	**267**	267	1,050	**802**	3,918
Interest (income) expense	**(22)**	1	1,550	**(18)**	4,212
Adjusted operating income before tax (1)	**5,879**	12,922	35,342	**32,363**	100,070
Adjustments:					
Share-based compensation	**2,395**	741	3,324	**3,588**	9,158
Amortization of intangibles	**2,534**	4,285	5,974	**11,103**	22,212
Accretion of deferred purchase consideration	**951**	696	500	**2,351**	1,500
Net income before income taxes from discontinued operations	**(1)**	7,200	25,544	**15,321**	67,200
Provision for income taxes	**—**	2,590	6,979	**5,206**	16,406
Net income from discontinued operations	**(1)**	4,610	18,565	**10,115**	50,794

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

Discontinued Operations

Revenue from KG was $24.0 million and $76.8 million for the third quarter and nine-month period ended September 30, 2022, respectively, compared to $19.3 million and $60.5 million, respectively, in the prior year periods. Operating expenses were $17.8 million and $43.7 million, respectively, for the third quarter and nine-month period ended September 30, 2022, compared to $6.5 million and $21.8 million in the prior year periods, respectively.

Net income related to discontinued operations was nil and $10.1 million for the current quarter and year-to-date periods, respectively.

The following table sets forth a summary of assets held-for-sale and liabilities held-for-sale as at September 30, 2022.

(in 000's for stated values)	As at September 30, 2022 $
Assets held-for-sale	
Goodwill and intangible assets	**201,355**
Accounts receivable	**54,010**
Other assets	**14,853**
Total assets held-for-sale	**270,218**
Liabilities held-for-sale	
Deferred revenue	**26,973**
Accrued payroll and other liabilities	**58,635**
Total liabilities held-for-sale	**85,608**

Financial Position

The following tables set forth a summary of the Company's balance sheet, including a breakdown by core business segment, as at September 30, 2022, June 30, 2022 and September 30, 2021.

(in 000's for stated values, except percentage amounts)	Manufactured Housing Finance $	Marine & Recreational Vehicles Finance $	Corporate $	Continuing Operations $	Discontinued Operations $	Total $
	September 30, 2022					
Assets						
Cash	1,788	14,563	2,713	**19,064**	—	**19,064**
Restricted funds	—	2,621	—	**2,621**	—	**2,621**
Accounts Receivable	168,631	6,944	6,658	**182,233**	—	**182,233**
Finance assets						
Loans receivable	355,133	—	—	**355,133**	—	**355,133**
Held-for-trading financial assets	157,760	1,870	—	**159,630**	—	**159,630**
Total finance assets	512,893	1,870	—	**514,763**	—	**514,763**
Retained reserve interest	36,269			**36,269**	—	**36,269**
Continuing involvement asset	77,556	—	—	**77,556**	—	**77,556**
Goodwill and intangible assets	70,383	159,075	751	**230,209**	—	**230,209**
Deferred tax assets	—	—	30,318	**30,318**	—	**30,318**
Other assets and investments	15,705	1,547	133,894	**151,146**	—	**151,146**
Assets held-for-sale	—	—	—	**—**	270,218	**270,218**
Total Assets	**883,225**	**186,620**	**174,334**	**1,244,179**	**270,218**	**1,514,397**
Liabilities						
Borrowings	496,140	2,000	495,455	**993,595**		**993,595**
Continuing involvement liability	77,556	—	—	**77,556**	—	**77,556**
Other liabilities	35,789	27,551	76,024	**139,364**	—	**139,364**
Taxes Payable	3,641	—	8,095	**11,736**	—	**11,736**
Liabilities held for sale	—	—	—	**—**	85,608	**85,608**
Total Liabilities	613,126	29,551	579,574	**1,222,251**	85,608	**1,307,859**
Earning Assets - Owned and Managed						
Earning assets - owned [(1)]	512,893	1,870	—	**514,763**	—	**514,763**
Earning assets - managed [(1)]	4,081,188	—	—	**4,081,188**	—	**4,081,188**
Total Earning Assets - Owned and Managed[(1)]	**4,594,081**	**1,870**	**—**	**4,595,951**	**—**	**4,595,951**

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

Total finance assets from continuing operations were $514.8 million as at September 30, 2022 compared to $380.5 million as at June 30, 2022 and $214.3 million at September 30, 2021. The increase compared to the preceding quarter primarily reflects an increase in floorplan loans and held-for-trading financial assets at our Manufactured Housing Finance segment.

Borrowings from continuing operations of $993.6 million increased by $175.3 million compared to June 30, 2022, primarily reflecting the increased investment in finance assets at our Manufactured Housing Finance segment.

Earning assets - managed[1] of $4.1 billion as at September 30, 2022 reflects managed loans at our Manufactured Housing Finance segment.

	June 30, 2022					
(in 000's for stated values, except percentage amounts)	Manufactured Housing Finance $	Marine & Recreational Vehicles Finance $	Corporate $	Continuing Operations $	Discontinued Operations $	Total $
Assets						
Cash	8,097	6,183	63,472	**77,752**	6,080	**83,832**
Restricted funds	—	2,514	—	**2,514**	—	**2,514**
Accounts receivable	140,390	5,655	5,267	**151,312**	59,138	**210,450**
Finance assets						
Loans receivable	280,266	—	—	**280,266**	—	**280,266**
Held-for-trading financial assets	100,250	—	—	**100,250**	—	**100,250**
Total finance assets	380,516	—	—	**380,516**	—	**380,516**
Retained reserve interest	34,056	—	—	**34,056**	—	**34,056**
Continuing involvement asset	87,227	—	—	**87,227**	—	**87,227**
Goodwill and intangible assets	68,928	87,222	708	**156,858**	203,923	**360,781**
Deferred tax assets	—	—	34,653	**34,653**	—	**34,653**
Other assets and investments	15,503	572	137,549	**153,624**	5,659	**159,283**
Total Assets	**734,717**	**102,146**	**241,649**	**1,078,512**	**274,800**	**1,353,312**
Liabilities						
Borrowings	367,740	—	450,598	**818,338**	—	**818,338**
Continuing involvement liability	87,227	—	—	**87,227**	—	**87,227**
Other liabilities	27,761	5,146	84,217	**117,124**	90,475	**207,599**
Taxes Payable	2,605	—	8,688	**11,293**	—	**11,293**
Total Liabilities	**485,333**	**5,146**	**543,503**	**1,033,982**	**90,475**	**1,124,457**
Earning Assets - Owned and Managed						
Earning assets - owned(1)	380,516	—	—	**380,516**	—	**380,516**
Earning assets - managed(1)	3,759,117	—	—	**3,759,117**	—	**3,759,117**
Total Earning Assets - Owned and Managed(1)	**4,139,633**	**—**	**—**	**4,139,633**	**—**	**4,139,633**

(1) This is a non-IFRS measure. Please refer to "Non-IFRS and Other Performance Measures" in this MD&A for a definition and reconciliation of this measure.

(in 000's for stated values, except percentage amounts)	Manufactured Housing Finance $	Corporate $	Continuing Operations $	Discontinued Operations $	Total $
	September 30, 2021				
Assets					
Cash	8,028	4,203	**12,231**	**20,835**	**33,066**
Restricted funds	5,416	—	**5,416**	**—**	**5,416**
Accounts Receivable	60,436	1,873	**62,309**	**50,844**	**113,153**
Finance assets					
Finance receivables	159,199	—	**159,199**	**37,827**	**197,026**
Held-for-trading financial assets	55,121	—	**55,121**	**—**	**55,121**
Total finance assets	214,320	—	**214,320**	**37,827**	**252,147**
Retained reserve interest asset	31,857	—	**31,857**	**—**	**31,857**
Continuing involvement asset(1)	114,568	—	**114,568**	**—**	**114,568**
Goodwill and intangible assets	65,781	1,095	**66,876**	**216,778**	**283,654**
Deferred tax assets	—	46,819	**46,819**	**—**	**46,819**
Other assets and investments	8,060	136,697	**144,757**	**26,668**	**171,425**
Assets held-for-sale	—	—	**—**	**660,627**	**660,627**
Total Assets	**508,466**	**190,687**	**699,153**	**1,013,579**	**1,712,732**
Liabilities					
Borrowings	164,471	312,189	**476,660**	**37,827**	**514,487**
Continuing involvement liability(1)	114,568	—	**114,568**	**—**	**114,568**
Liabilities held-for-sale	—	—	**—**	**47,123**	**47,123**
Other liabilities	27,097	60,251	**87,348**	**125,671**	**213,019**
Total Liabilities	**306,136**	**372,440**	**678,576**	**210,621**	**889,197**

(1) Effective January 1, 2021, the Company made the determination that all loans sold by Triad Financial Services qualify for full derecognition as Triad Financial Services does not exercise control over the loans. As a result, the continuing involvement asset and continuing involvement liability of $114.6 million in the table above have been restated from the previously reported continuing involvement asset and continuing involvement liability as at September 30, 2021 of $192.8 million to reflect the derecognition of the continuing involvement asset and continuing involvement liability of $78.3 million related to loans sold by Triad Financial Services during the nine-month period ended September 30, 2021.

Delinquencies

The contractual delinquency of finance receivables at each reporting period is as follows:

	September 30, 2022		June 30, 2022		September 30, 2021	
	$	**%**	$	%	$	%
Current	**356,044**	**100 %**	280,988	100 %	197,292	100 %
31-60 days past due	**—**	**— %**	—	— %	—	— %
61-90 days past due	**—**	**— %**	—	— %	—	— %
Greater than 90 days past due	**—**	**— %**	—	— %	—	— %
Total continuing operations	**356,044**	**100 %**	280,988	100 %	197,292	100 %

Allowance for Credit Losses

Credit losses and provisions as at and for each of the respective periods are as follows:

(in 000's except percentage amounts)	**Three-month period ended September 30, 2022** $	Year ended December 31, 2021 $	Three-month period ended September 30, 2021 $
Allowance for credit losses, beginning of period	**722**	868	1,032
Provision for credit losses	**189**	429	(66)
Charge-offs, net of recoveries, and other	**—**	(70)	—
Disposals	**—**	(700)	(700)
Allowance for credit losses, end of period	**911**	527	266

The Company's allowance for credit losses was $0.9 million as at September 30, 2022, compared to $0.5 million at December 31, 2021. The allowance for credit losses of $0.9 million as at September 30, 2022 is in line with management's expectation of losses from the business segments and the current mix of assets.

Liquidity & Capital Resources

An important liquidity measure for the Company is its ability to maintain diversified funding sources to support its operations. The Company's primary sources of liquidity are: (i) cash flows from operating activities; (ii) borrowings on our term senior credit facility and proceeds from the issuance of our senior unsecured debentures; (iii) funding commitments from our Partners; and (iv) equity. The Company's primary use of cash is the funding of its capital allocation priorities, including funding organic growth initiatives for our new businesses, acquisition opportunities and returning capital to shareholders. The Company manages its capital resources by utilizing the financial leverage available under its senior credit facilities, selling loans that we originate to our Partners and, when additional capital is required, the Company has access to capital through the issuance of convertible debt, preferred or common shares.

The Company's capitalization and key leverage ratios are as follows:

			As at	
(in 000's for stated values, except for percentage amounts)		**September 30, 2022** **$**	June 30, 2022 $	September 30, 2021 $
Total debt, including borrowings on term senior credit facility and senior unsecured debentures	**(a)**	**993,595**	818,338	514,487
Shareholders' equity	**(b)**	**206,538**	228,855	823,535
Debt to equity ratio	**(a)/(b)**	**4.81**	3.58	0.62

As at September 30, 2022, the Company's debt to equity ratio was 4.81:1. The increase in total debt compared to the second quarter of 2022 primarily reflects the increased investment in finance assets at our Manufactured Housing Finance segment during the quarter.

The Company has significant resources available to continue funding projected growth. Finance receivables are securitized or sold to third party funding counterparties on a regular basis to ensure cash is available to fund new transactions. Cash levels are also monitored by management. In addition, the Company adheres to a strict policy of matching the maturities of owned finance assets and the related debt as closely as possible in order to manage its liquidity position.

The Company's available sources of financing are as follows:

		As at	
	September 30, 2022	June 30, 2022	September 30, 2021
(in 000's)	**$**	$	$
Cash and cash equivalents	**19,064**	83,832	33,066
Senior Facilities			
Facilities	**900,000**	700,000	1,100,000
Utilized against Facility	**819,487**	639,103	470,000
Unutilized Borrowing Facilities (i.e., excl. Cash & Equiv.)	**80,513**	60,897	630,000
Total available sources of capital, end of period	**99,577**	144,729	663,066

As at September 30, 2022, the unutilized balance of the borrowing facility was approximately $81 million compared to $61 million at June 30, 2022 and $630 million at September 30, 2021. This $81 million in unutilized borrowings is in addition to the commitments in place to fund loan originations from our business segments for 2022. Management believes the available liquidity from its cash and equivalents, unutilized borrowing capacity and the funding commitments in place at its business segments is sufficient to fund operations and internal growth initiatives.

As at October 31, 2022, primarily as a result of the sale of KG, borrowings on the senior facility were reduced to approximately $650 million.

ECN CAPITAL

Summary of Quarterly Information

The following table sets out selected financial information for each of the eight most recent quarters, the latest of which ended as at September 30, 2022. The information should be read in conjunction with ECN Capital's audited and interim unaudited consolidated financial statements, the notes thereto and the related management discussion and analysis for the relevant periods.

Key factors that account for the fluctuation in the Company's quarterly results include the year-over-year growth in originations at Triad Financial Services and the seasonality of our businesses from period to period. ECN acquired Triad Financial Services on December 29, 2017, Source One on December 21, 2021 and Intercoastal Financial Group on July 1, 2022.

(in $ 000's for stated values, except ratio and per share amounts)	**Q3, 2022**	Q2, 2022	Q1, 2022	Q4, 2021	Q3, 2021	Q2, 2021	Q1, 2021	Q4, 2020
Adjusted operating income before tax[1]	**16,527**	15,556	5,726	2,274	7,140	3,028	(2,667)	(4,582)
Amortization of intangibles	**1,880**	1,100	1,063	310	310	310	310	310
Accretion of deferred purchase consideration	**128**	—	—	(1)	462	520	462	4,198
Unrealized gain on foreign currency forward contract	**—**	—	—	—	(2,856)	—	—	—
Impairment of legacy corporate investment	**—**	—	—	—	—	—	—	13,000
Share based compensation	**2,392**	1,592	4,716	13,299	3,933	3,520	3,442	4,373
Corporate restructuring and transition costs	**—**	—	—	6,054	—	—	—	—
Transaction costs	**—**	5,632	—	3,074	—	—	—	—
Net income (loss) before income taxes	**12,127**	7,232	(53)	(20,462)	5,291	(1,322)	(6,881)	(26,463)
Net income (loss) from continuing operations	**7,721**	4,631	(36)	(16,202)	4,605	(995)	(5,532)	(21,847)
Net income (loss) from discontinued operations	**(1)**	4,610	5,506	937,126	18,565	18,391	13,838	(5,267)
Net income (loss) - total	**7,720**	9,241	5,470	920,924	23,170	17,396	8,306	(27,114)
Earnings per share (basic) - continuing operations attributable to common shareholders	**$0.03**	$0.01	$0.00	($0.10)	$0.01	($0.01)	($0.03)	($0.10)
Adjusted net income[1]	**13,222**	12,445	4,581	1,887	5,926	2,513	(2,214)	(3,785)
Adjusted net income per share (basic)[1]	**$0.05**	$0.05	$0.02	$0.01	$0.02	$0.01	($0.01)	($0.02)
Adjusted net income applicable to common shareholders per share (basic)[1]	**$0.05**	$0.05	$0.01	$0.00	$0.01	$0.00	($0.02)	($0.03)
Originations	**679,492**	613,020	397,970	299,611	298,992	262,052	182,223	197,398
Period end earning assets - owned	**514,763**	380,516	282,829	226,715	214,320	187,524	181,994	170,703
Period end earning assets - managed	**4,081,188**	3,759,117	3,247,854	3,117,704	2,958,485	2,836,163	2,731,645	2,638,615
Period end earning assets - total	**4,595,951**	4,139,633	3,530,683	3,344,419	3,172,805	3,023,687	2,913,639	2,809,318
Allowance for credit losses	**911**	722	595	527	266	1,032	894	868
Allowance % of finance receivables[1]	**0.18 %**	0.19 %	0.21 %	0.23 %	0.11 %	0.23 %	0.20 %	0.23 %
Term senior credit facility & other	**840,479**	653,880	196,245	107,664	458,639	547,757	505,684	462,083
Senior unsecured debentures	**153,116**	164,458	168,997	166,933	55,848	56,960	56,036	55,109
Total debt	**993,595**	818,338	365,242	274,597	514,487	604,717	561,720	517,192
Shareholders' equity	**206,538**	228,855	230,308	218,627	823,535	823,713	817,607	822,561

(1) For additional information, see "Non-IFRS and Other Performance Measures" section.

Non-IFRS and Other Performance Measures

DESCRIPTION OF NON-IFRS MEASURES

The Company uses certain measures to assess our financial performance that are not generally accepted accounting principles measures under IFRS ("Non-IFRS measures"). The Company believes the non-IFRS measures described below are more reflective of our ongoing operating results and provide readers with a better understanding of the Company's operating performance through the eyes of management. Non-IFRS measures are intended to provide additional information only and do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. These measures should not be considered in isolation or as a substitute for measures of performance determined under IFRS.

The following discussion describes the non-IFRS measures we use in evaluating our operating results.

Adjusted Earnings before interest expense, taxes, depreciation and amortization ("adjusted EBITDA")

We define adjusted EBITDA as net income before interest expense, income tax expense, depreciation and amortization, adjusted to exclude the impact of share-based compensation, amortization of intangible assets acquired in business combinations, accretion of deferred purchase consideration, corporate restructuring costs, transaction costs, cumulative dividends on preferred shares, income tax, and certain non-recurring items. Management believes it is appropriate to adjust for these items because share-based compensation and amortization of intangible assets are primarily non-cash in nature, accretion of deferred purchase consideration is considered part of the purchase price consideration for business acquisitions notwithstanding the accounting treatment which views all or a portion of the related payments to be an operating expense, corporate restructuring and transaction costs do not relate to continuing operating activities, dividends on preferred shares are a financing cost not related to operating activities, and income tax is managed at a corporate level and is a function of the jurisdictions in which the Company operates and not the underlying performance of our business segments. We believe adjusted EBITDA is a key measure of the Company's operating performance over the long term and is a useful measure of the Company's ability to generate cash from operations to maintain and grow its core business. Investors and analysts also use adjusted EBITDA as a measure to compare the operating performance of different businesses in the business services sector and to assess the enterprise value of a business as adjusted EBITDA eliminates the impact of financing decisions. For a reconciliation of adjusted EBITDA to net income (loss) from continuing operations, being the most directly comparable IFRS measure, please see "Reconciliation of non-IFRS to IFRS measures" below.

Adjusted operating income before tax

Adjusted operating income before tax is net income excluding the impact of share-based compensation, amortization of intangible assets acquired in business combinations, accretion of deferred purchase consideration, corporate restructuring costs, transaction costs, cumulative dividends on preferred shares, income tax, and certain non-recurring items. Management believes it is appropriate to adjust for these items because share-based compensation and amortization of intangible assets are primarily non-cash in nature, accretion of deferred purchase consideration is considered part of the purchase price consideration for business acquisitions notwithstanding the accounting treatment which views all or a portion of the related payments to be an operating expense, corporate restructuring and transaction costs do not relate to continuing operating activities, dividends on preferred shares are a financing cost not related to operating activities, and income tax is managed at a corporate level and is a function of the jurisdictions in which the Company operates and not the underlying performance of our business segments. Adjusted operating income before tax is a key operating measure used by management to assess the underlying operating performance of the Company's business segments, including the determination of amounts to be paid out pursuant to deferred purchase consideration plans and Performance Share Unit (PSU) plans. Management also uses this measure to prepare the internal budgets and forecasts that support the Company's public guidance. The presentation of this measure enables investors and analysts to better understand the underlying performance of our business segments. For a reconciliation of adjusted operating income before tax to net income (loss) from continuing operations, being the most directly comparable IFRS measure, please see "Reconciliation of non-IFRS to IFRS measures" below.

Adjusted net income and Adjusted net income applicable to common shareholders

Adjusted net income is net income excluding the impact of share-based compensation, amortization of intangible assets acquired in business combinations, accretion of deferred purchase consideration, corporate restructuring costs, transaction costs, and certain non-recurring items, less the applicable provision for income taxes excluding the tax impact of these adjustments. Management believes it is appropriate to adjust for these items because share-based compensation and amortization of intangible assets are primarily non-cash in nature, accretion of deferred purchase consideration is considered part of the purchase price consideration for business acquisitions notwithstanding the accounting treatment which views all or a portion of the related payments to be an operating expense, and corporate restructuring and transaction costs do not relate to continuing operating activities. Adjusted net income applicable to common shareholders is computed as adjusted net income less cumulative preferred share dividends. Adjusted net income provides a consolidated view of the Company's underlying financial performance attributable to the common shareholders. The presentation of this measure enables investors and analysts to better understand the underlying performance of our business segments. For a reconciliation of adjusted net income to net income (loss) from continuing operations, being the most directly comparable IFRS measure, please see "Reconciliation of non-IFRS to IFRS measures" below.

Adjusted net income per share and Adjusted net income per share applicable to common shareholders

Adjusted net income per share is a non-IFRS ratio and is computed as adjusted net income divided by the basic weighted average number of common shares outstanding during the period. Adjusted net income per share applicable to common shareholders is a non-IFRS ratio and is computed as adjusted net income applicable to common shareholders divided by the basic weighted average number of common shares outstanding during the period.

Earning assets - owned

Earning assets - owned are the finance receivables from continuing operations held on our balance sheet.

Managed assets

Managed assets are the asset portfolios from continuing operations that the Company manages, services or advises on behalf of its Partners. The Company earns either servicing, portfolio advisory or reserve income from these portfolios.

In addition, the Company utilizes the following performance measures, which are derived from amounts calculated in accordance with IFRS to assess performance:

Allowance for credit losses as a percentage of finance receivables

Allowance for credit losses as a percentage of finance receivables is the allowance for credit losses at the end of the period divided by the finance receivables (gross of the allowance for credit losses) at the end of the period.

Average debt

Average debt is calculated as the daily weighted average borrowings outstanding under all of the Company's secured borrowings facilities throughout the period.

Finance assets or total finance assets

Finance assets are the sum of the total finance receivables.

Debt to equity ratio

Debt to equity ratio is calculated as total debt (borrowings) outstanding at the end of the period, divided by total shareholders' equity outstanding at the end of the period. Debt to equity refers to the use of debt to acquire/finance additional finance receivables and other assets and provides an indication of future potential ability to increase the level of debt when compared to specific industry-standard and/or existing debt covenants.

RECONCILIATION OF NON-IFRS TO IFRS MEASURES

The following table provides a reconciliation of non-IFRS to IFRS measures related to the Company's consolidated continuing results of operations for the three-month periods ended September 30, 2022, June 30, 2022, and September 30, 2021 and the nine-month periods ended September 30, 2022 and September 30, 2021.

	For the three-month period ended			For the nine-month period ended	
	September 30, 2022	June 30, 2022	September 30, 2021	**September 30, 2022**	September 30, 2021
(in 000's for stated values, except percent amounts)	**$**	**$**	**$**	**$**	**$**
Reconciliation of adjusted operating income before tax:					
Net income (loss) from continuing operations	**7,721**	4,631	4,605	**12,316**	(1,922)
Adjustments:					
Share-based compensation	**2,392**	1,592	3,933	**8,700**	10,895
Amortization of intangibles	**1,880**	1,100	310	**4,043**	930
Accretion of deferred purchase consideration	**128**	—	462	**128**	1,444
Unrealized gain on foreign currency hedge	**—**	—	(2,856)	**—**	(2,856)
Transaction costs	**—**	5,632	—	**5,632**	—
Provision for (recovery of) income taxes	**4,406**	2,601	686	**6,990**	(990)
Adjusted operating income before tax	**16,527**	15,556	7,140	**37,809**	7,501
Adjusted operating income before tax comprised of:					
Manufactured Housing Finance Segment	**21,025**	18,961	16,169	**52,623**	36,393
Marine and Recreational Vehicles Finance Segment	**4,963**	5,279	—	**12,361**	—
Corporate	**(9,461)**	(8,684)	(9,029)	**(27,175)**	(28,892)
	16,527	15,556	7,140	**37,809**	7,501
Reconciliation of adjusted EBITDA:					
Adjusted operating income before tax	**16,527**	15,556	7,140	**37,809**	7,501
Interest expense	**13,129**	8,463	4,758	**27,818**	14,609
Depreciation & amortization	**1,770**	1,646	2,072	**5,103**	5,295
Adjusted EBITDA	**31,426**	25,665	13,970	**70,730**	27,405
Reconciliation of adjusted net income and adjusted net income attributable to common shareholders:					
Adjusted operating income before tax	**16,527**	15,556	7,140	**37,809**	7,501
Provision for taxes applicable to adjusted operating income (1)	**3,305**	3,111	1,214	**7,562**	1,275
Adjusted net income	**13,222**	12,445	5,926	**30,247**	6,226
Cumulative preferred share dividends during the period	**1,409**	1,124	2,380	**3,679**	7,234
Adjusted net income attributable to common shareholders	**11,813**	11,321	3,546	**26,568**	(1,008)
Per share information					
Weighted average number of shares outstanding (basic)	**246,766**	247,224	243,334	**246,872**	243,769
Adjusted net income per share (basic)	**$0.05**	$0.05	$0.02	**$0.12**	$0.03
Adjusted net income applicable to common shareholders per share (basic)	**$0.05**	$0.05	$0.01	**$0.11**	$—

(1) Provision for taxes applicable to adjusted operating income reflects an effective tax rate of 20.0% for the three and nine-month periods ended September 30, 2022 and the three-month period ended June 30, 2022, and 17.0% for the three and nine-month periods ended September 30, 2021.

Accounting and Internal Control Matters

Critical Accounting Policies and Estimates and Use of Judgments

The Company's significant accounting policies are described in note 2 of our 2021 Annual Consolidated Financial Statements. Certain of these policies, and related estimates and judgments have been identified as "critical" to the presentation of our financial condition and results of operations because they require us to make subjective and/or complex judgments about matters that are inherently uncertain; or there is a reasonable likelihood that materially different amounts could be reported under different conditions or using different assumptions and estimates. Our significant accounting judgments, estimates and assumptions relate to inventory, allowances for credit losses, income taxes, useful lives and residual values of equipment under operating leases, goodwill and intangible assets, derecognition of financial assets, and the outcome of contingencies such as lawsuits, claims or proceedings incident to the operation of our businesses. Our critical accounting policies and estimates have been reviewed and approved by our Audit Committee, in consultation with management, as part of their review and approval of our significant accounting policies, judgments, estimates and assumptions. Please refer to note 2 of our 2021 Annual Consolidated Financial Statements for a description of each of our significant accounting judgments, estimates and assumptions.

The preparation of financial statements in accordance with IFRS requires management to make estimates and exercise judgments that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. The estimates and judgments are made based on information available as at the date the consolidated financial statements are issued.

The Company is involved in various lawsuits, claims and proceedings incident to the operation of its businesses. Although the outcome of litigation cannot be predicted with certainty and some lawsuits, claims or proceedings may be disposed of unfavorably to us, it is management's opinion that none of these will have a material adverse effect on the Company's financial position, results of operations or cash flows. Costs related to such matters were not material to the periods presented.

Internal Control over Financial Reporting

The Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") are responsible for designing disclosure controls and procedures to ensure that material information is being recorded, processed, summarized, and reported to senior management, including the certifying officers and other members of the Board of Directors, on a timely basis, so that appropriate decisions can be made regarding public disclosure. In addition, the CEO and CFO are responsible to design, or cause to be designed under their supervision, internal controls over financial reporting to a standard that provides reasonable assurance of the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

It should be noted that while the Company's CEO and CFO believe that the Company's internal control system and disclosure controls and procedures provide a reasonable level of assurance that the objectives of the control systems are met, they do not expect that the Company's control systems will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurances that any designs will succeed in achieving its stated goals under all potential conditions.

The Company has an established process in place to ensure the effectiveness of the disclosure controls and internal controls over financial reporting.

Updated Share Information

The Company is currently authorized to issue (i) an unlimited number of common shares without nominal or par value and (ii) an unlimited number of preferred shares, issuable in series.

As at November 9, 2022, the Company had 245,382,585 common shares, 3,399,882 options and 3,712,400 Series C preferred shares issued and outstanding.

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